Form 3160-5 (April 2004)

1 Type of Well

3a Address

Öıl Well

2 Name of Operator SOUTHWEST ROYALTIES, INC.

6 DESTA DRIVE, STE 2100, MIDLAND, TX 79705

OCD-HOBBS UNITED STATES DEPARTMENT OF THE INTERIOR

BUREAU OF LAND MANAGEMENT

FORM APPROVED OM B No 1004-0137 Expires March 31, 2007

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160 - 3 (APD) for such proposals.

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

✓ Other

Gas Well

	5 Lease Serial No NM 94189
	6 If Indian, Allottee or Tribe Name
	7 If Unit or CA/Agreement, Name and/or No
_	8. Well Name and No. Elliams 34 FED #12
	9 API Well No.
	30 025 33094 10 Field and Pool, or Exploratory Area

Maliamar 4 Location of Well (Footage, Sec., T, R, M, or Survey Description) 11 County or Parish, State PLUGGED WELLBORE: 330' FNL & 660' FEL, SEC 34, T17S, R33E, UNIT A LEA COUNTY, NM 12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, 8⁹ TYPE OF SUBMISSION TYPE OF ACTION Production (Start/Resume) Acidize Deepen **6** Notice of Intent ✓ Reclamation Alter Casing Well Integrity Fracture Treat Casing Repair New Construction Recomplete 2 Subsequent Report Change Plans Plug and Abandon Temporarily Abandon Final Abandonment Notice Convert to Injection ... Plug Back

3b Phone No (include area code)

432/688-3267

13 Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection)

P&A'D 6/28/07. Prepare to reclaim location.

- *Prepare to remove all debris on and off location including any flowlines that may be present.
- *Bury or remove all contaminants
- *Remove all caliche on the well pad and access roads down to clean soils, countour to blend with the adjacent landscpae, and rip and reseed with appropriate seed mixture.

*Place and earthen barricade or fencing along the access roads to prevent vehicular entry.

File a FINAL ABANDONMENT REQUEST FOR FINAL INSPECTION.

1 1 2007

JAMES A. AMOS SUPERVISOR-EPS

I hereby certify that the foregoing is true and correct Name (Printed/Typed) DAWN M. HOWARD Title OPERATIONS ASSISTANT 07/09/2007 Signature Date THIS SPACE FOR FEDERAL OR STATE OFFICE USE Title

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Date

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction

Office

(Instructions on page 2)

SEE ATTACHED FOR **CONDITIONS OF APPROVAL**

SUNDRY NOTICE, CONDITIONS OF APPROVAL

Southwest Royalties, Inc. NMNM94189; Elliams 34 Federal #12 330' FNL & 660' FEL, Sec. 34, T. 17 S., R. 33 E. Lea County, New Mexico

Ber V.

- 1. Approval is granted to reclaim the referenced location as per Notice of Intent, with the following additions.
- 2. Remove two power poles on the northwest edge of the location.
- 3. Salt impacted soils are located on the south side of the location, in the reserve pit area, and just to the north of the reserve pit. These areas are to be addressed during reclamation either by removal down to an acceptable level, buried as per standard pit reclamation with three feet of clean material, or capped with three feet of clean material (2' of caliche and 1' soils similar to the surrounding), and contoured to blend with the surrounding landscape.
- 4. Reseed all disturbed areas with seed mixture #3.

All work is to be completed within 90 days of authorization, contact Jim Amos at 505-234-5909 if you have any questions, prior to start of reclamation and again at completion, prior to seeding.